

TOWN HALL 1 MONTEITH DRIVE FARMINGTON, CONNECTICUT 08032-1053

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Testimony Kathy Eagen, Town Manager Town of Farmington Before the Labor & Public Employees Committee February 24, 2015

Thank you for the opportunity to comment in support of several proposed bills that would adjust the current prevailing wage thresholds.

The Town of Farmington, like many Connecticut towns, works every year to project its capital improvement projects for the next five years. The Town believes that maintaining and improving its buildings, roads, sewers, and equipment is essential to providing residents with quality public services and ensuring that people move to Farmington, and stay in Farmington.

However, prevailing wage laws have made it challenging for towns like Farmington to continue to invest in capital projects, as these laws have driven labor wages far beyond their market value. As a result, construction costs for local building projects have skyrocketed, slowing economic development, and the construction of important projects.

As you may be aware, prevailing wage requirements stem from the passage of the 1931 Davis-Bacon Act which required federal public works projects to use unionized construction workers and to pay these workers a "prevailing wage." Additionally, specific thresholds were established to exempt certain projects from the scope of the prevailing wage requirements and to ease the financial burden on taxpayers.

Currently, these thresholds are so low that very few projects are exempt from adhering to the prevailing wage requirements. As a result, even small construction projects are subject to these laws; increasing local costs, and shutting out local contractors.

The adjustments that are proposed in this legislation are an important step towards reducing municipal costs when completing capital projects. This legislation will also incentivize local economic development, as local contractors will be better able to compete for municipal contracts. Finally, these proposals will reduce the burden placed on taxpayers.

I therefore urge your support for the following pieces of legislation:

SB-113, SB-114, SB-180, SB-181, HB-5071, HB-5072, HB-5073, HB-5074, HB-5075, HB-5076, HB-5078, HB-5079, HB-5208, HB-5209, HB-5440, HB-5441, HB-5510, HB-5511, HB-5515, HB-5516, HB-5613, HB-6246, HB-6250, HB-6251, HB-6650, and HB-6666

These bills could not come at a more opportune time as towns and cities are creating budgets for the upcoming fiscal year and are looking for ways to observe fiscal conservancy while providing our residents with premium public services.

I would like to thank you for the opportunity to comment on this important bill.

Respectfully Submitted,

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